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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X		
In re:	:	
	:	
DELPHI CORPORATION, et al.,	:	Chapter 11
	:	Case No. 05-44481-RDD
Debtors.	:	Jointly Administered
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**RESPONSE BY NISSAN NORTH AMERICA, INC. TO DEBTORS’
FORTY-SEVENTH OMNIBUS OBJECTION PURSUANT TO 11 U.S.C. §503(B) AND
FED. R. BANKR. P. 3007 TO DISALLOW AND EXPUNGE CERTAIN
ADMINISTRATIVE EXPENSE BOOKS AND RECORDS CLAIMS**

Nissan North America, Inc. (“Nissan”), by and through counsel, hereby responds to the Forty-Seventh Omnibus Objection Pursuant to 11 U.S.C. §503(b) and Fed. R. Bankr. P. 3007 to (I) Disallow and Expunge (A) certain Administrative Expense Books and Records Claims, (B) A Certain Administrative Expense Duplicate Claim, and (C) Certain Administrative Expense Duplicate Substantial Contribution Claims, and (II) Modify Certain Administrative Expense Claims (the “Objection”) of the above-captioned debtors (the “Debtors”). The Objection seeks an order expunging certain claims, including Nissan’s Claim (defined below). In support of its response, Nissan respectfully states as follows:

1. On July 15, 2009, Nissan filed administrative claim, Claim No. 18975 against the Debtors on account of Warranty Obligations (defined below) in the amount of \$249,138.70 (the “Claim”). The Claim was submitted with supporting documentation, also attached hereto as Exhibit A.

2. In its Objection, the Debtors assert that Nissan's Claim should be denied on the basis that they are "not owing pursuant to the Reorganized Debtors' books and records" (the "Books and Records Claim").

3. As part of the commercial relationship between Nissan and certain Debtors in the above captioned case, claims arise in the ordinary course of business between the parties related to the production of the automotive component parts for Nissan (the "Component Parts"). Such claims include claims by the Debtors against Nissan for payment and claims by Nissan against the Debtors for, among other things, defective Component Parts and related warranty claims ("Warranty Obligations"). Such Warranty Obligations have traditionally been set-off by Nissan in the ordinary course of business against accounts payable owing to the Debtors through the issuance of debit memos from Nissan to the Debtors. In the case of any dispute arising from the issuance of such memos, the parties have typically negotiated a consensual resolution. The Warranty Obligations discussed above and as attached to Nissan's Claim are the basis for the administrative claim.

4. On June 1, 2009, the Debtors filed a Supplement to Plan Modification Approval Motion which sought Court approval of modifications to their confirmed plan to implement and incorporate the provisions of a Master Disposition Agreement ("MDA") entered into among Delphi Corporation, GM Components Holdings, LLC ("GM Components"), a shell corporation formed by General Motors Corporation ("GM"), Parnassus Holdings II, LLC ("Parnassus"), a shell corporation formed by Platinum Equity Capital Partners II, L.P. ("Platinum"), and "the other sellers and other buyers" referenced in the MDA.

5. The MDA provides for the sale of some of the Debtors' operating businesses to GM Components, or to some other nominee or nominees of GM, and the remainder of the Debtors' operating businesses to Parnassus, or to some other nominee or nominees of Platinum (collectively, the proposed purchasers referred to herein as the "proposed purchasers",

“assignees”, or “Buyers”), including its production of certain Component Parts.

6. On July 20, 2010, Nissan filed an objection to the Debtors’ assumption and assignment of the Debtors’ executory contracts pursuant to the MDA (“MDA Objection”) asserting cure claims for the Warranty Obligations in the same amount as the Claim. Nissan’s MDA Objection has not been heard by this Court as of the date of this filing and was continued indefinitely last fall by agreement of the Debtors and Nissan as the parties continued to discuss responsibility for the Warranty Obligations.

7. On information and belief, Nissan believes that the assets that relate to the Warranty Obligations (the former Delphi Steering Division) were acquired by GM Components. Accordingly, Nissan asserts that the Claim should be allowed as either an administrative expense claim payable by the Debtors, or as a cure claim payable by GM Components.

8. This Claim should not be disallowed or expunged because any and all Warranty Obligations are either the responsibility of the Debtors or GM Components. As of the date of this response, Nissan, GM Components and the Debtors are currently in continuing discussions to reconcile the outstanding Warranty Obligations. Accordingly, Nissan requests that the Debtors or GM Components, as the case may be, be ordered to pay the Warranty Obligations to Nissan; or continue the hearing on the Debtors’ Objection while the parties continue to discuss responsibility for the Warranty Obligations. Nissan reserves all rights to supplement its Claim asserted herein against the Debtors and GM Components.

WHEREFORE, Nissan respectfully requests that this Court enter an order which dismisses the Objection with respect to Nissan and its claims; orders the immediate payment of the Warranty Obligations, or continues the hearing on the Objection while the parties continue to reconcile responsibility for the Warranty Obligations between the Debtors and GM Components. Nissan requests all such further relief as the Court deems just and proper.

Dated: May 12, 2010

Respectfully submitted:

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CERTIFICATE OF SERVICE

In accordance with Local Bankruptcy Rule 9078-1, the undersigned certifies that on May 12, 2010 a true and correct copy of the following pleading was served via ECF, and upon the parties listed below by overnight courier, unless otherwise indicated:

**RESPONSE BY NISSAN NORTH AMERICA, INC. TO DEBTORS'
FORTY-SEVENTH OMNIBUS OBJECTION PURSUANT TO 11 U.S.C. §503(B) AND
FED. R. BANKR. P. 3007 TO DISALLOW AND EXPUNGE CERTAIN
ADMINISTRATIVE EXPENSE BOOKS AND RECORDS CLAIMS**

Via hand-delivery

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Dated: May 12, 2010
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/s/ David E. Lemke